



## Wyoming Lender Alert

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### Making a Difference for Small Business in Wyoming

#### State Of Small Business *The Small Business Economy, 2004 Is Latest In Annual Series*

"In 2003, the overall economic indicators improved as the economy gained momentum". "Small businesses led the way. However, continued strong economic growth will require an environment that fosters more entrepreneurial activity."

The 2004 report examines the role small business plays in the economy. It focuses on economic trends and indicators, regulatory issues at the federal, state, and local levels, innovation and technology transfer, as well as federal government procurement and small business financing data.

Among the report's highlights

- In the second half of 2003, consumer and business confidence returned and the economy shifted into higher gear. Real gross domestic product increased at an annual rate of 8.2 percent in the fourth quarter and the number of employer firms increased by 0.3 percent over the year. The number of unincorporated self-employed increased by 3.7 percent during the year as well.
- Home-based businesses make up 53 percent of the small business population and serve as incubators for many growing businesses. Home-based businesses face:
- A unique regulatory environment that can restrain their expansion and growth. Notable regulatory barriers include complex IRS rules on home office deductions and the complicated test for determining independent contractor status. Moreover, local zoning laws may also discriminate against home-based businesses.

• Some of America's best-known companies are university spin-offs. Current research suggests that university spin-offs can have a dramatic effect on the economy of a region. These effects have been enhanced by government policies such as the Bayh-Dole Act, which gave universities the rights to inventions derived from federally funded research.

The Office of Advocacy, the "small business watchdog" of the government, examines the role and status of small business in the economy and independently represents the views of small business to federal agencies, Congress, and the President. It is the source for small business statistics presented in user-friendly formats and it funds research into small business issues.

For more information, visit the Office of Advocacy website at [www.sba.gov/advo](http://www.sba.gov/advo).

#### Tips for Business Success Calculated Risks

Part of the definition of an entrepreneur is being a risk taker. Be a calculated risk taker if you plan to successfully grow a business.

A calculated risk taker does not "bet the farm" on a fifty percent chance of success and then bets a ninety-five percent chance of success.

In most cases, you don't have to "bet the farm" to grow. Take smaller chances knowing that your potential for success is high, but that the downside won't be catastrophic. In these cases, look at the worst thing that can happen if you loose. Generally you find that you can recover from the worst scenario. If that's true, go ahead with your plans.

You won't get very far in life if you don't stretch yourself. This process can put you in an uncomfortable zone. Many of us live our lives in that area. It becomes a way of life. We should never get too comfortable in a position because with complacency comes defeat.

Don't "bet the farm" unless you are sure of success, but take calculated risks. The saying, "nothing ventured – nothing gained," is true.

#### Revised Offer in Compromise (OIC) Application is Available

The IRS is pleased to provide you with the latest TEC Headliner #: 101 **"Revised OIC Application is Available for Use"**. The "Offer in Compromise" program has become a viable option for qualifying taxpayers for whom the IRS agrees to accept less than full payment under certain circumstances. A tax debt can be legally compromised for:

- **Doubt as to Liability** - Doubt exists that the assessed tax is correct.
- **Doubt as to Collectibility** - Doubt exists that you could ever pay the full amount of tax owed.
- **Effective Tax Administration** - There is no doubt the tax is correct, and no doubt that the amount owed could be collected, but an exceptional circumstance exists that allows the IRS to consider a taxpayer's OIC. To be eligible for a compromise on this basis, the taxpayer must demonstrate that collection of the tax would create an economic hardship or would be unfair and inequitable.

In order qualify for consideration; taxpayers must submit a [Form 656](#).

Offer in Compromise, package (rev 7/2004). The Form 656 is a booklet containing information, definitions, forms and an 8 step process for completing the application. This package was recently redesigned to make it easier for taxpayers and tax professionals to follow the instructions and correctly prepare the application.

**Senior Tax Specialist**  
**Internal Revenue Service**  
**Office of Taxpayer Education and Communication**  
**5353 Yellowstone Road**  
**Cheyenne, WY 82009**  
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### ***Did you know?***

SBA's Office of Advocacy was created by Congress in 1976? This Office of the U.S. Small Business Administration (SBA) is an independent voice for small business within the federal government. Appointed by the President and confirmed by the U.S. Senate, the Chief Counsel for Advocacy directs the office. The Chief Counsel advances the views, concerns, and interests of small business before Congress, the White House, federal agencies, federal courts, and state policy makers. Economic research, policy analyses, and small business outreach help identify issues of concern.

### **SBA and Its Resource Partners Help People Go Into Business**

The Small Business Administration (SBA) along with its Resource Partner, Wyoming Small Business Development Centers (SBDC's), help counsel and train Wyoming entrepreneurs on how to start a business or expand their existing business.

How? SBA resource partners include several SBDC's across Wyoming. We have a state office in Laramie and other offices in Rock Springs, Powell, Riverton, Casper, Cheyenne, and Gillette. How do they help? They help by providing counseling to clients who want to start a business. They also make available

training classes at a minimal cost for those clients.

Lenders, here is a way you can help your clients get counseling or training they may need to start a business or expand an existing business. Go to the following website: [www.sba.gov/wy](http://www.sba.gov/wy). Then select the **Training Calendar** button hot link from the list on the left side of the site. Pick any listed training from the calendar. Click on the training class and you will find extended information about the training, how much it will cost, who and where to contact and what the training is about. Currently training classes are listed from January to May, 2005.

#### **Some classes offered are:**

- Business Start-Up
- NxLevel
- Quick Books
- How to write a Business Plan
- Where did all the Money Go (Class on Cash Flow)
- eBay 101 and 102
- Active Plan – How to put together your business plan on the Internet
- Gro-Biz – How to sell products or services to government Agencies
- Patents, Trademarks; Copyright and Trade Secrets

The calendar of events includes any training that SBA has available and all events offered by our Resource Partners across the State of Wyoming.

**REMEMBER!** [www.sba.gov/wy](http://www.sba.gov/wy).

Check out this great training resource to see what could be beneficial for your customers. Please pass this on to anyone you think could profit from the information. Please call Susan Perea at 307-261-6520 or e-mail her at [susan.perea@sba.gov](mailto:susan.perea@sba.gov) for more information.

### **DISASTER DECLARATIONS**

#### ***Drought Declaration #R305 - Military Reservist Economic Injury Disaster Loan Program (MREIDL)***

Effective October 1, 2004, small businesses employing military reservists may apply for economic injury disaster loans if those employees are called-up to active duty during a period of military conflict existing on or after March 24, 1999

and those employees are essential to the success of the small business daily operations.

The MREIDL filing period **begins** on the date the essential employee is ordered to active duty.

The MREIDL filing period **ends** on the date 90 days after the essential employee is discharged or released from active duty.

For further information call SBA at 1-800-366-6303.

#### ***Declaration #9AR2 – Drought***

Small businesses in Albany, Fremont, Hot Springs, Natrona, and Washakie Counties are eligible to apply for a low-interest Economic Injury Disaster Loan from the SBA. These loans are available to small businesses that have suffered financial losses and are dependent on farmers and ranchers who sustained crop losses as a result of drought that occurred January 1, 2004, and continuing. Farmers and ranchers are not eligible for these SBA loans. Nurseries that are victims of drought can apply.

The loan application deadline is August 8, 2005.

For further information call SBA at 1-800-366-6303.

#### ***Declaration #9AL9 – High Winds***

Small businesses in Crook County are eligible to apply for a low-interest Economic Injury Disaster Loan from the SBA. These loans are available to small businesses that have suffered financial losses and are dependent on farmers and ranchers who sustained crop losses as a result of high winds that began April 1, 2004, and continuing. Farmers and ranchers are not eligible for these SBA loans.

The loan application deadline is July 8, 2005.

For further information call SBA at 1-800-366-6303.

#### ***Declaration #9AL6 – Late Spring Frosts***

Small businesses in Crook County are eligible to apply for a low-interest Economic Injury Disaster Loan from the SBA. These loans are available to small businesses that have suffered financial losses and are dependent on farmers and ranchers who sustained crop losses as a result of late spring frosts that occurred May 1 – June 30,

2004. Farmers and ranchers are not eligible for these SBA loans. The loan application deadline is July 8, 2005.

For further information call SBA at 1-800-366-6303.

***Declaration #9AK8 - Drought***

Small businesses in Big Horn, Campbell, Crook, Park, and Sheridan Counties are eligible to apply for a low-interest Economic Injury Disaster Loan from the SBA. These loans are available to small businesses that have suffered financial losses and are dependent on farmers and ranchers who sustained crop losses as a result of drought that occurred January 1, 2004, and continuing. Farmers and ranchers are not eligible for these SBA loans. Nurseries that are victims of drought can apply.

The loan application deadline is June 28, 2005.

For further information call SBA at 1-800-366-6303.

***Declaration #9ZV6 - Drought***

Small businesses in Albany, Big Horn, Campbell, Carbon, Converse, Crook, Goshen, Johnson, Laramie, Lincoln, Natrona, Niobrara, Park, Platt, Sheridan, Sublette, Sweetwater, Teton, Uinta, Washakie, and Weston Counties are eligible to apply for a low-interest Economic Injury Disaster Loan from the SBA. These loans are available to small businesses that have suffered financial losses and are dependent on farmers and ranchers who sustained crop losses as a result of drought that began January 1, 2004. Farmers and ranchers are not eligible for these SBA loans. Nurseries that are victims of drought can apply.

The loan application deadline is May 9, 2005.

For further information call SBA at 1-800-366-6303.

***Declaration #9AB5 - Drought, Insects, Damaging Wind, and Heat***

Small businesses in Lincoln, Sweetwater, and Uinta Counties are eligible to apply for a low-interest Economic Injury Disaster Loan from the SBA. These loans are available to small businesses that have suffered financial losses and are dependent on farmers and ranchers who sustained crop losses as a result of drought, insects, damaging wind, and heat that occurred January 1, 2004, and continuing. Farmers and ranchers are

not eligible for these SBA loans. Nurseries that are victims of drought can apply.

The loan application deadline is May 16, 2005.

For further information call SBA at 1-800-366-6303.

***Declaration #9ZQ7 - A Late Spring Killing Frost, Extreme Heat, High Winds, Hail, Severe Storms, Drought, and Insect Infestation***

Small businesses in Crook, Niobrara, and Weston Counties are eligible to apply for a low-interest Economic Injury Disaster Loan from the SBA. These loans are available to small businesses that have suffered financial losses and are dependent on farmers and ranchers who sustained crop losses as a result of a late spring killing frost, extreme heat, high winds, hail, severe storms, drought, and insect infestation that occurred January 1, 2004, and continuing. Farmers and ranchers are not eligible for these SBA loans. Nurseries that are victims of drought can apply.

The loan application deadline is April 6, 2005.

For further information call SBA at 1-800-366-6303.

***Declaration #9ZS9 - Drought***

Small businesses in Albany and Carbon Counties are eligible to apply for a low-interest Economic Injury Disaster Loan from the SBA. These loans are available to small businesses that have suffered financial losses and are dependent on farmers and ranchers who sustained crop losses as a result of drought that occurred January 1, 2004, and continuing. Farmers and ranchers are not eligible for these SBA loans. Nurseries that are victims of drought can apply.

The loan application deadline is April 18, 2005.

For further information call SBA at 1-800-366-6303.

***Declaration #9ZL7 - Severe Drought***

Small businesses in Goshen, Laramie, and Niobrara Counties are eligible to apply for a low-interest Economic Injury Disaster Loan from the SBA. These loans are available to small businesses that have suffered financial losses and are dependent on farmers and ranchers who sustained crop losses as a result of severe

drought that occurred January 1, 2004, and continuing. Farmers and ranchers are not eligible for these SBA loans. Nurseries that are victims of drought can apply.

The loan application deadline is February 22, 2005.

For further information call SBA at 1-800-366-6303.

**Procurement Opportunities for Small Business**

**How to Sell to the Government**  
A workshop for Small Businesses

The Procurement Opportunities for Small Business Conference will be held on March 15, 2005 from 8:30am until 4:30pm at the Inn at Lander Best Western, 260 Grand View Dr., Lander, WY (307) 332-2247.

This program is to allow you to meet one on one with contracting officers; increase your knowledge about the government contracting process; a chance to market your business to the U.S. Government and Prime Contractors; and to meet professionals, contractors and small businesses in one place.

For more information contact Jeff Sneddon, US Small Business Administration, (307) 261-6515 or Lisa Wagner, Wind River Development Fund (307) 335-7330.

**UPCOMING EVENTS**

**February 1 - Women's Roundtable, Jackson**

**February 2 - Women's Roundtable, Casper**

**February 7-8 - Business Day at the Legislature, Cheyenne**

**February 10 - Women's Roundtable, Laramie**

**February 15 - Women's Roundtable, Cody**

**February 17 - Women's Roundtable, Powell**

**February 22 - WNET Call**

**February 26 - Business Expo, Torrington, Goshen County**